

MCNEALY SCOTT G
Form 4
January 05, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MCNEALY SCOTT G

2. Issuer Name and Ticker or Trading Symbol
SUN MICROSYSTEMS, INC.
[SUNW]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
12/21/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

4150 NETWORK CIRCLE

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

SANTA CLARA, CA 95054

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock					1,377,198 ⁽¹⁾	D	
Common Stock	12/21/2006		G	V 2,000 A \$ 5.5	7,551	I	See Footnotes. <u>(2)</u> <u>(3)</u>
Common Stock	12/21/2006		G	V 2,000 A \$ 5.5	7,551	I	See Footnotes. <u>(2)</u> <u>(3)</u>
Common Stock	12/21/2006		G	V 2,000 A \$ 5.5	7,551	I	See Footnotes. <u>(2)</u> <u>(3)</u>

Edgar Filing: MCNEALY SCOTT G - Form 4

Common Stock	12/21/2006		G	V	2,000	A	\$ 5.5	7,551	I	See Footnotes. <u>(2)</u> <u>(3)</u>
Common Stock								293,080	I	Shares held by trust.
Common Stock								55,936,480	I	Shares held by trust.
Common Stock								402,800	I	Shares held by trust. <u>(4)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Employee Stock Option (Right to Buy) <u>(5)</u>	\$ 5.4532					<u>(6)</u> 06/17/2008	Common Stock	3,200,000
Employee Stock Option (Right to Buy) <u>(5)</u>	\$ 12.5313					<u>(6)</u> 04/20/2009	Common Stock	400,000
Employee Stock Option (Right to Buy) <u>(5)</u>	\$ 40					<u>(6)</u> 04/12/2010	Common Stock	1,000,000
	\$ 18.58					<u>(6)</u> 04/18/2011		1,500,000

Edgar Filing: MCNEALY SCOTT G - Form 4

Employee Stock Option (Right to Buy) ⁽⁵⁾				Common Stock	
Employee Stock Option (Right to Buy) ⁽⁵⁾	\$ 12.59	<u>(6)</u>	11/07/2011	Common Stock	1,250,000
Employee Stock Option (Right to Buy) ⁽⁵⁾	\$ 12.59	<u>(6)</u>	11/07/2011	Common Stock	1,250,000
Employee Stock Option (Right to Buy) ⁽⁵⁾	\$ 9.14	<u>(6)</u>	03/19/2012	Common Stock	200
Employee Stock Option (Right to Buy) ⁽⁵⁾	\$ 6.45	<u>(6)</u>	05/02/2012	Common Stock	200,000
Employee Stock Option (Right to Buy) ⁽⁵⁾	\$ 7.07	<u>(6)</u>	05/14/2012	Common Stock	800,000
Employee Stock Option (Right to Buy) ⁽⁵⁾	\$ 3.7	<u>(7)</u>	07/25/2012	Common Stock	1,000,000
Employee Stock Option (Right to Buy) ⁽⁵⁾	\$ 3.85	<u>(8)</u>	07/23/2013	Common Stock	1,500,000
Employee Stock Option (Right to Buy) ⁽⁵⁾	\$ 3.79	<u>(9)</u>	07/29/2014	Common Stock	1,250,000
	\$ 3.85	<u>(10)</u>	07/28/2015		900,000

Edgar Filing: MCNEALY SCOTT G - Form 4

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.